

**HUD/Performance Based Contract Administrator Call**  
**March 31, 2005**  
**2 PM – 3:30 PM**

**New Business**

- Deborah Lear announced Peter Giaquinto has joined the Office of Housing Assistance Contract Administration Oversight as Monitoring/Oversight Division Director.
- Georgia HAP had submitted a question regarding receipt of a Notice of Default (NOD) letter from Enforcement Center which instructed Georgia HAP to conduct follow up activity in addition to signing the NOD for a property receiving a below 60 REAC score. Deborah Lear said a PBCA's only responsibility is to sign the notice of default. Asset Management has been contacted and is working with the Enforcement Center staff to rectify the incorrect guidance.

**Status Update**

**HUD-9834 Management Review Form**

- The form has been reposted for public comment due to changes in HUD's direction in monitoring owners under the management review process. The original HUD-9834 presented for comment and OMB approval was focused solely on subsidized properties. However, a decision has been made that only one management review form will exist for all management reviews. The form currently posted for comment includes the changes originally made from the prior posting as well as additions and or changes that would be applicable to the inclusion of issues related to unsubsidized reviews and any and all distinctions that need to be addressed depending on whether it is a subsidized property or unsubsidized. A distinction has also been identified on the form that the PBCA review/rating is directed at owner HAP compliance thereby allowing room for HUD to conduct reviews of other areas if deemed appropriate. The public comment period closes May 27, 2005.

<http://www.ncsha.org/uploads/HUD-9834-3.11.05rev.pdf>

**Utility Allowance Guidance**

- In the December conference call, Deborah Lear said she had heard from owners that different PBCAs are requiring different information from the owners in order to review the utility analysis submission. She asked whether the PBCAs could reach consensus on a single national standard. New York admitted they have stricter document requirements due to comments from a HUD compliance review.

MassHousing's Alan Sharkey volunteered to help frame a proposal on a national standard and serve as the point of contact. The compilation of comments was used as the framework for the initial discussions in HUD HQ and will be used to assist Asset Management in future policy discussions. Asset Management will survey several HUD offices and PBCAs to better understand the issue and assess current practices and review procedures. Thanks to those who submitted comments.

### **Year End Statement**

- HUD's Chief Financial Officer has reviewed the draft policy guidance and raised several minor internal issues. Deborah Lear has responded to the concerns, and the document is expected to be released in April. The memo will address the PBCA's reconciliation period from the initial receipt of HAP payments through March 31, 2001 via the year end statement process for over and under payments and the period from April, 2001 forward to monitor any interest payments earned on HAP funds. Once this has been finalized and sent out, HUD will schedule a conference call to address any questions.

### **ACC/Guidebook Revisions**

#### **Contract Extension/Implementation**

- The General Counsel's office has opined that the Department may enter into a long term PB-ACC contract extending beyond a five-year term.

Since some PBCAs are reaching the end of their original term with HUD and the new ACC is not available, HUD will in the interim issue a one-year extension contract with an option year not to exceed twelve months. This will provide HUD with time to finalize the ACC and give the PBCAs time to review the contract, effect operational changes, system modifications, etc. prior to execution. All PBCAs will be given the new ACC at the same time so that HUD will have contract uniformity across the country. These extension contracts will be issued utilizing the existing bid fee as set forth in the fifth year of Exhibit E of the original PB-ACC. Any remaining years on current contracts will be added to the term of the new contract.

### **Fee Structure**

- The Deputy Assistant Secretary has been briefed on the various fee structure options, including realignment of the IBPS tasks and associated bid fee percentages, comparison of PBCA operational costs against administrative fee earnings and lastly, a negotiated fee construct. Deborah and Lanier have been asked to explore in more detail the realignment of tasks and provide an association of the work attributable to that task and the applicable payment.

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### **Small Portfolio Recommendation**

- Several small portfolio PBCAs, led by Bill Ward from Idaho, developed a proposal to treat small portfolio PBCAs differently. The proposal was reviewed by HQ and field staff. HUD has determined that the acceptable quality level of performance for PBCAs will be treated consistently for all PBCA portfolios for all IBPS tasks.

**The next call will take place in late April.**

Please email all topic suggestions to Mike Cohen at [mcohen@ncsha.org](mailto:mcohen@ncsha.org).